GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA

UNSTARRED QUESTION NO:1513
ANSWERED ON:09.03.2017
Incentives for Generation of Electricity from Solar Energy
Teli Shri Rameswar

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

(a) whether the Union Government proposes to provide incentives for generating electricity from solar energy and if so, the details thereof;
(b) whether the Government has faced with the problem of acquiring land for expansion of solar power schemes in the country and if so, the details thereof; and
(c) the steps taken by the Government to overcome the problem of shortage of land for expansion of solar power schemes in the country?

Answer

THE MINISTER OF STATE FOR POWER, COAL, NEW & RENEWABLE ENERGY AND MINES (INDEPENDENT CHARGE) (SHRI PIYUSH GOYAL)
(a): The Government is promoting solar energy through fiscal and promotional incentives such as Capital subsidy, tax holiday on the earnings for 10 years, generation based incentive, accelerated depreciation, viability gap funding (VGF), financing solar rooftop systems as part of home loan, concessional excise and custom duties, preferential tariff for power generation from renewables, and Foreign Direct Investment (FDI) up to 100 per cent under the automatic route etc.
This apart, the Government has been supporting solar manufacturing by way of various mechanisms such as Modified Special Incentive Package Scheme (M-SIPS) of Ministry of Electronics & Information Technology (MeitY).
(b): No, Madam. However, availability of land is one of the challenges in expansion of solar power in the country.
(c): Government is encouraging use of waste land for installation of solar power plants. Setting up of Solar parks is a step in that direction wherein land is identified for solar park in a consolidated manner, in consultation with the State Government. In addition, the Government is promoting installation of solar projects on rooftops to tap the large potential available for generating solar power using unutilized space on rooftops and wastelands around buildings.
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